



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0322	Title:	Revise apiary laws
Primary Sponsor:	Curtiss, Aubyn	Status:	As Amended

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
State Special Revenue	\$186	\$186	\$186	\$186
Revenue:				
State Special Revenue	(\$284)	(\$284)	(\$284)	(\$284)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

The bill proposal adds a new application fee for those who are not currently registered with the department, exempts hobbyists from re-registration, and increases the upper fee range for re-registration, certificates of health, inspections, and requires that all assessed civil penalties be paid prior to issuing a re-registration. Information within the statute has been reorganized for clarity, ease of reading, and transparency. It provides clarification of abandonment and termination of apiarist rights and requires additional notifications prior to department actions regarding abandonment, registration of new sites, pollination sites, and landowner sites. The bill also adds additional responsibilities for identification of hive ownership and inspections.

FISCAL ANALYSIS

Assumptions:

Department of Agriculture

1. SB 322 proposes an application fee for an owner or applicant not currently registered in the department's apiary database. The fee range is \$10 to \$100, adjusted by administrative rule. There were 20 new applicants during the previous year and the department would expect similar new applications in the future. The fiscal impact of this fee is \$200 (\$10 fee x 20 new owners or applicants = \$200) per year.
2. The bill increases the upper end of the re-registration fee range to \$50, making the fee range \$10 - \$50. The current fee is \$11, which falls within this range. There is no fiscal impact due to this change.

3. The bill changes the location within the statute that describes the delinquent re-registration and penalty fees but does not change the fees. No fiscal impact.
4. The bill adds new subsection (9) to 80-6-102, MCA, providing that a re-registration may not be granted if a civil penalty has not been paid. In FY 2007, this would have impacted 2 re-registrations. There were no civil penalties assessed in FY 2008. There would be no fiscal impact.
5. The bill proposes that sale by the department of abandoned equipment and bees, less sale costs, may be deposited into the apiary account if ownership can not be determined. The fiscal impact can not be estimated because the department has never encountered this situation and the revenue earned on the sale of abandoned equipment and bees would depend on the condition and value of the equipment and bees.
6. The bill requires the department to notify any general apiarist with registered sites within 3 miles of a requested pollination site. This section does not specify the method of notification, however other sections of the statute dealing with notification specify certified mail, therefore it is assumed that these notifications would be completed consistent with the other parts of the law. The department estimates the department would have to provide notification to two apiarists per request and that the department would have 10 pollination site requests per year. The range of cost for sending certified mail is \$5.34 to \$6.41. Using six dollars per certified letter, the estimated cost of this activity would be \$120 per year (10 pollination sites x 2 apiarist notification x \$6 = \$120).
7. The bill requires the department to notify general apiarist of new proposed landowner sites. Given the density of apiary locations in relation to where new landowner sites have, in the recent past, occurred, we anticipate that the department will provide notification to three general apiarists per landowner site request and expect to receive 3 landowner site requests per year. Assuming notification by certified mail, the fiscal impact would be \$54 (3 notification x 3 landowner site requests x \$6 per notification = \$54).
8. SB 322, as amended, exempts hobbyists from site registration, although hobbyists may voluntarily register their sites. There are 47 hobbyist apiary sites currently registered. A reduction in registration of 47 hobbyist sites that will no longer pay re-registration fees will result in a loss of revenue of \$517 (47 hobbyist sites x \$11/site = \$517). It is anticipated that there would be 10 new apiary hobbyists each year. It is assumed that only 30% of those would register voluntarily. Revenue generated from new hobbyist site registrations would be \$33 (3 new hobbyists x \$11). The net change in revenue would be a negative \$484 (-\$517 lost re-registration fees + \$33 new registration fees = -\$484).
9. Under this bill, landowner registration would be limited to three sites. This only applies to new landowner sites and does not impact existing landowner registrations, there is no fiscal impact.
10. The bill requires the department to provide notification, by certified mail, prior to burning any equipment. This is not an activity the department engages in very frequently, however, we have attempted, in the past, to determine ownership. After investigation and research, we typically can narrow down potential ownership to one, possibly two owners. Assuming the department might engage in this activity once a year, the fiscal impact would be \$12 (2 possible apiarist x \$6 per notification).
11. The bill proposes to add new inspection responsibilities to the department in 80-6-201(1)(g). These new inspections will be conducted upon request; costs will vary depending on the complexity of the inspection. The fiscal impact can not be calculated.
12. The bill changes the upper limit of the inspection and certificate of health fee range from \$100 to \$150. It does not change the current fee and therefore has no fiscal impact.
13. The bill changes the civil penalty maximum from \$1,000 to \$25,000. In FY 2007, two civil penalties were issued, each for \$600. There were no civil penalties issued in FY 2008. Assessed civil penalty amounts depend on the type and number of violations and gravity of impact. The department can not calculate the fiscal impact of this increase.
14. The bill substitutes a misdemeanor offense fine of \$25 to \$500 or imprisonment in county jail for not more than one year with assessment of costs incurred by the department for investigations resulting in a civil penalty. The department has not pursued misdemeanor offenses for either penalty or imprisonment.

Recovery of actual costs for investigations would depend on the type and complexity of the violation. The fiscal impact can not be estimated.

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$186	\$186	\$186	\$186
TOTAL Expenditures	\$186	\$186	\$186	\$186
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$186	\$186	\$186	\$186
TOTAL Funding of Exp.	\$186	\$186	\$186	\$186
<u>Revenues:</u>				
State Special Revenue (02)	(\$284)	(\$284)	(\$284)	(\$284)
TOTAL Revenues	(\$284)	(\$284)	(\$284)	(\$284)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	(\$470)	(\$470)	(\$470)	(\$470)

Sponsor's Initials

Date

Budget Director's Initials

Date